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## **Testimony for Proposed Bill:**

### **Proposed H.B. No. 5587 - AN ACT CONCERNING SUBMETERING AT APARTMENT BUILDINGS AND CONDOMINIUMS**

The Connecticut Apartment Association (CTAA) represents over 30,000 units, the largest number of apartments represented by any association in the state. CTAA members consist of the state's leading firms in the multifamily rental housing industry. The association's mission is to provide quality rental housing to residents of Connecticut. Our parent organization, the National Apartment Association (NAA), represents more than 6 million apartment homes throughout the United States and Canada. The CTAA fully supports the goal of Proposed H.B. 5587 and believes that the State of Connecticut must develop clear and concise regulations that allow for the submetering of all utilities in multifamily rental housing.

Currently, Connecticut General Statutes §16-19ff specifically allows for the submetering of campgrounds and slips at marinas, provided that the use is residential in nature and that the rate being charged is the same as the residential rate charged by the local utilities. Section 16-19ff also allows for submetering "in any other location as approved by the department". Many of us in the multifamily housing industry in Connecticut have interpreted that language to mean that it is permissible for us to implement submetering at our properties. However, conflicting decisions issued by the Connecticut Public Utilities Regulatory Authority (PURA) on applications for submetering submitted by landlords, and in response to complaints brought by tenants, have left both landlords and tenants frustrated and confused when it comes to their rights and responsibilities in regard to submetering.

Resource conservation has been a long stated priority of Governor Dannel Malloy and a major focus of the development of a comprehensive energy strategy for Connecticut. The first step in any effective conservation strategy is to assign responsibility to those consuming the resources. After all, if you don't have any idea how much of a resource you are actually using, or what it costs, how can you know if you are reducing consumption and what is your motivation for doing so? Providing landlords with the ability to directly bill tenants for their use of utilities through the employment of reliable submeters has been shown to effectively reduce utility consumption rates by tenants; in some examples by as much as 25%.

We fully understand the challenges that submetering presents from a regulatory perspective and we want to work with the state to ensure that submetering is done in a legal way that protects the rights of consumers and allows them to have a clearly defined path of recourse in the case of a billing dispute. In cases where landlords have been allowed by PURA to submeter, this regulatory structure already exists. What also exists is the ability of PURA to levy fines of up to \$10,000 a day for submetering violations.

The Connecticut Apartment Association hopes that by amending the existing statute to allow for submetering at apartment buildings, the practice can be implemented across the board, in both new construction and existing units, to encourage resource conservation. We do not believe that the use of submetering amounts to the sale or resale of utilities by landlords and we are hopeful that this legislation will clarify many of the legal grey areas that have existed for too long in Connecticut in regard to submetering.

As you move forward with this bill, members of the CTAA are happy to make themselves available to your committee for further information on submetering and other utility management strategies that are commonly used in our industry. Thank you for your time and your work on this important issue.

Sincerely,

[Name]

[Title]